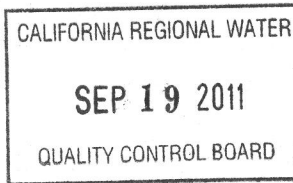




September 19, 2011



Ms. Shin-Roei Lee
Watershed Division Chief
San Francisco Bay Regional Water Quality Control Board (RWQCB)
1515 Clay Street, Suite 1400
Oakland, California 94612

Subject: Supplemental Submittal for Section 401 Water Quality Certification for the 34th America's Cup/James T. Herman Cruise Terminal Project, San Francisco County

Dear Ms. Lee:

This letter is in response to the San Francisco RWQCB's July 22, 2011 letter ("July Letter") request for additional information associated with the 401 Water Quality Certification ("401 WQC") for the proposed 34th America's Cup/James T. Herman Cruise Terminal Project ("Project" or "AC 34"). The July Letter requests information in two different categories: (1) information necessary to consider the application complete and (2) supplemental information to facilitate the 401 WQC permitting process. In the interest of moving the process forward, we have provided responses below which respond to informational requests in both categories. We will continue to forward additional responses to the July Letter as soon as the information becomes available.

1. Block 2, Applicant's Address

The full name and address of the America's Cup Event Authority Representative:

Craig Thompson
160 Pacific Avenue Suite 201
San Francisco, California 94111

2. Block 23, Other Permits

In the July Letter, the RWQCB requested information regarding the federal permitting associated with the Project. As described in the original application, the Project Sponsor has applied for both an individual 404 Permit and a Section 10 Permit from the US Army Corps of Engineers ("USACE"). We have enclosed a CD of the USACE combined permit application for your records.

The Project Sponsor is also in the process of completing Biological Assessments (BAs) for processing with the US Fish & Wildlife Service (USFWS) and the NOAA Fisheries Service (NOAA). Both BAs are currently being reviewed by the three lead federal permitting agencies (USACE, National Park Service (NPS) and the US Coast Guard (USCG)). We will forward copies of the BAs once they are final, which is anticipated by the end of this month.



In addition, the Project Sponsor has applied for a Marine Event Permit from the USCG to support the 2012 and 2013 Race Events. The Project Sponsor will apply for a Special Use Permit from the NPS to host certain spectator venues on NPS lands. While we do not believe these applications are required for the RWQCB to make a completeness determination, please let us know if you would like to view a copy of these applications.

3. Application Fee

We have included a check for the additional \$817.00 as requested to cover the entire the 401 WQC application fee.

4. Block 15, Section 3.3.1.3 of Attachment, Post-Construction Stormwater

As discussed with the RWQCB in June 2011, we are in the process of drafting a stormwater control plan ("SCP"), which will cover both the AC 34 and the Cruise Terminal projects. Specifically, the SCP will provide an overview of the construction and post-construction best management practices ("BMP"s) proposed as part of the Project, including in particular, installation of a rainwater harvesting system at Piers 27-29 as part of Phase 1 of the Cruise Terminal project. The SCP will also describe the areal extent of new and replaced impervious surfaces from all project activities along with opportunities and constraints of various post-construction BMPs at other SF waterfront construction locations.

We anticipate having an outline of the SCP available for RWQCB by the end of this month.

5. Block 15, Section 3.3.1.5, Compliance with Industrial Stormwater Permit

As indicated in the application, we anticipate that an Industrial Stormwater Permit (ISP) will be required for the Project. After completing additional research, the Project Sponsor plans to apply for an ISP to cover team base operations at both Piers 30-32 and Pier 80. In addition, the AC 34 Race Management may choose to do minimal maintenance of support boats at Pier 19. Accordingly, one combined Notice of Intent (NOI) and corresponding SWPPP that will cover all three locations and comply with all of the terms of the General Industrial Stormwater Permit will be submitted. The NOI will be filed by the proposed operator of all team base operations, AC 34 Race Management.

In addition, the July Letter requested additional information to better understand "the potential for spectator boats to illicitly discharge sewage". The Project Sponsor does not propose to allow any illegal discharges as part of this Project, and therefore illegal or illicit discharges are not included in the Application as a water quality impact. However, the Project Sponsor shares the RWQCB concern that vessels spectators beyond the direct control of the AC 34 could illicitly discharge sewage. Accordingly, as described in Application, the Project Sponsor has proposed as part of the Water and Air Traffic Mitigation Measure to create an outreach program to inform boaters associated with AC 34 regarding various types of safety and environmental issues, including pump out locations around San Francisco Bay and the repercussions of illicitly discharging sewage. (See the Invasive Species Section below for additional information regarding the the specific dissemination plan that is in process).



**6. Block 15, Section 3.3.4 of Attachment, Invasive Species Impacts; and
Block 16, Section 4.2.2 of Attachment, Avoidance of Invasive Species Impacts**

The Project Sponsor shares the RWQCB's concern regarding aquatic invasive species (AIS) and is proposing to institute some cutting edge measures that will not only lessen the potential for the Project to introduce new AIS and/or increase the spread of existing AIS, but likely will serve to educate boaters throughout San Francisco Bay and the west coast to lessen the spread of invasive species in the future.

Specifically, the Port of San Francisco, with the help of the America's Cup Event Authority and RWQCB staff have established the AC 34 Invasive Species Task Force (ISTF) to address the issue of AIS as it relates to the AC 34. In addition to the Project Sponsors, the ISTF is composed of expert agency members from the RWQCB, the San Francisco Estuary Project, the California Coastal Commission, the California Department of Fish and Game, the State Lands Commission, the USCG and California Boating and Waterways. With the help of RWQCB staff, we are currently in the process of drafting BMP guidelines that will be distributed to boaters who may attend the AC 34. The ISTF is working together to create a detailed dissemination plan that will describe how each category of vessel associated with the AC 34 will be contacted, including spectator vessels from outside and around the SF Bay, with a particular focus on those categories of boats with the highest potential to introduce AIS.

In addition, the Project Sponsor is drafting an Invasive Species Control Plan, with the help of the Smithsonian Institute, to establish detailed BMPs to avoid the spread of AIS during construction.

AIS BMP guidelines and the dissemination plan and the Invasive Species Control Plan are scheduled for completion by the end of this month.

Additional Information

As noted above, we will be forwarding additional information to you as soon as it becomes available. The table below provides a summary of the anticipated supplemental documents.

<u>Documents To Be Provided</u>
Waste Management Plan
Outline of Stormwater Control Plan
Description of Water and Sewer Utility Upgrades
Detailed Mitigation Proposal
404(b)(1) Alternatives Analysis
Invasive Species Control Plan and Dissemination Plan

All of the above documents are scheduled for delivery to the RWQCB within the next few weeks. We will forward each plan as soon as it becomes available.



Summary

If you require have any questions regarding the above or attached information, please contact me at (415) 274-0256 or Jill Blanchard at (415) 867-6769.

Thank you very much for your and your staff's continued assistance with this process. We look forward to working with you to complete the permitting for this important project for the City of San Francisco.

Very truly yours,

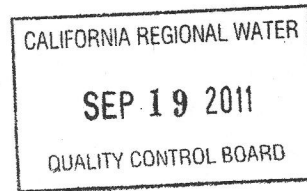
Kelley Capone
Port of San Francisco

Enclosures

cc: Bill Hurley, RWQCB (w/o encl)
Xavier Fernandez, RWQCB (w/o encl)
Rob Lawrence, USACE (w/encl)
Brad Benson, Port of San Francisco
John Craig, AC Race Management
Jillian Blanchard, Boudreau Associates (w/encl)



September 19, 2011



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Watershed Division Chief
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1. Block 2, Applicant's Address

The full name and address of the America's Cup Event Authority Representative:

Craig Thompson
160 Pacific Avenue Suite 201

BANK OF AMERICA N.T. & S.A.
345 Montgomery Street
San Francisco, CA

THIS DOCUMENT HAS A MULTI-COLORED FACE THAT CHANGES COLOR GRADUALLY.

CITY AND COUNTY OF SAN FRANCISCO
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